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**ALLEN PARISH ASSESSOR**  
Oberlin, Louisiana

**Financial Report**

**For the Year Ended December 31, 2007**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date

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## INDEPENDENT ACCOUNTANT'S REPORT

Honorable Richard W. Karam, CLA  
Allen Parish Assessor  
Oberlin, Louisiana

We have reviewed the accompanying financial statements of the governmental activities and major fund of the Allen Parish Assessor (the Assessor), a component unit of the Allen Parish Police Jury, as of and for the year ended December 31, 2007, which collectively comprise the Assessor's basic financial statements as listed in the table of contents, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards issued by the Comptroller General of the United States of America. All information included in these financial statements is the representation of the Allen Parish Assessor.

A review consists principally of inquiries of the Assessor's personnel and analytical procedures applied to financial data. It is substantially less in scope than an audit in accordance with generally accepted auditing standards, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with generally accepted accounting principles.

The budgetary comparison information on page 23 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements.

The Allen Parish Assessor has not presented management's discussion and analysis that the Governmental Accounting Standards Board has determined is required to supplement, although not required to be part of, the basic financial statements.

Our review was made for the purpose of expressing limited assurance that there are no material modifications that should be made to the financial statements in order for them to be in conformity with generally accepted accounting principles. The information included as "Supplementary Information" in the table of contents is presented only for supplementary analysis purposes and is not a required part of the basic financial statements. Such information has been subjected to the inquiry and analytical procedures applied in the review of the basic financial statements.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Oberlin, Louisiana  
May 5, 2008

## **BASIC FINANCIAL STATEMENTS**

**GOVERNMENT-WIDE  
FINANCIAL STATEMENTS (GWFS)**

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Statement of Net Assets  
December 31, 2007

	<u>Governmental Activities</u>
ASSETS	
Cash and interest-bearing deposits	\$ 9,556
Due from other governmental units	403,206
Prepaid items	5,910
Capital assets, net	<u>14,712</u>
Total assets	<u>433,384</u>
LIABILITIES	
Accounts and other payables	2,629
Note payable	<u>184,000</u>
Total liabilities	<u>186,629</u>
NET ASSETS	
Invested in capital assets	14,712
Unrestricted	<u>232,043</u>
Total net assets	<u>\$246,755</u>

The accompanying notes are an integral part of the basic financial statements.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Statement of Activities  
For the Year Ended December 31, 2007

Activities	Program Revenues			Net (Expense) Revenues and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants and Contributions	
Governmental activities:				
General government	\$493,752	\$ 10,930	\$ 78,016	\$ (404,806)
Interest on long-term debt	<u>3,303</u>	<u>-</u>	<u>-</u>	<u>(3,303)</u>
Total governmental activities	<u>\$497,055</u>	<u>\$ 10,930</u>	<u>\$ 78,016</u>	<u>(408,109)</u>
General revenues:				
Taxes:				
Property taxes, levied for general purposes				369,596
State revenue sharing				37,513
Interest and investment earnings				227
Miscellaneous				<u>2,886</u>
Total general revenues				<u>410,222</u>
Change in net assets				2,113
Net assets - January 1, 2007				<u>244,642</u>
Net assets - December 31, 2007				<u>\$ 246,755</u>

The accompanying notes are an integral part of the basic financial statements.



**FUND FINANCIAL STATEMENTS (FFS)**

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Balance Sheet - Governmental Fund  
December 31, 2007

	<u>General Fund</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 9,556
Prepaid expenditures	5,910
Receivables:	
Due from other governmental units	<u>403,206</u>
Total assets	<u>\$418,672</u>
<b>LIABILITIES AND FUND EQUITY</b>	
Liabilities:	
Accounts payable	\$ 2,629
Note payable	<u>184,000</u>
Total liabilities	<u>186,629</u>
Fund equity:	
Fund balance reserved for prepaid expenditures	5,910
Fund balance - unreserved, undesignated	<u>226,133</u>
Total fund equity	<u>232,043</u>
Total liabilities and fund equity	<u>\$418,672</u>

The accompanying notes are an integral part of the basic financial statements.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Reconciliation of the Governmental Fund Balance Sheet  
to the Statement of Net Assets  
December 31, 2007

Total fund balance for the governmental fund at December 31, 2007	\$ 232,043
Total net assets reported for governmental activities in the statement of net assets is different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. Those assets consist of:	
Equipment, furniture and fixtures, net of \$246,204 accumulated depreciation	<u>14,712</u>
Total net assets of governmental activities at December 31, 2007	<u>\$ 246,755</u>

The accompanying notes are an integral part of the basic financial statements.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Governmental Fund  
For the Year Ended December 31, 2007

	<u>General Fund</u>
Revenues:	
Intergovernmental revenues -	
Ad valorem taxes	\$ 369,596
State revenue sharing	37,513
Gaming revenue	48,016
Parish appropriation	30,000
Other revenue - preparing tax rolls, etc.	13,816
Interest	<u>227</u>
Total revenues	<u>499,168</u>
Expenditures:	
Current -	
General government:	
Personnel services and related benefits	409,898
Operating services	38,386
Materials and supplies	14,500
Travel and other charges	1,276
Debt service	<u>13,227</u>
Total expenditures	<u>477,287</u>
Excess of revenues over expenditures	21,881
Fund balance, beginning of year	<u>210,162</u>
Fund balance, end of year	<u>\$ 232,043</u>

The accompanying notes are an integral part of the basic financial statements.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balance of the Governmental Fund  
to the Statement of Activities  
For the Year Ended December 31, 2007

Total net changes in fund balance at December 31, 2007 per Statement of Revenues, Expenditures and Changes in Fund Balance	\$21,881
The change in net assets reported for governmental activities in the statement of activities is different because:	
Less: Depreciation expense for the year ended December 31, 2007	(29,692)
Add: Principal retirement considered as an expenditure on Statement	9,849
Add: Difference between interest on long-term debt on modified accrual basis versus interest on long-term debt on accrual basis	<u>75</u>
Total changes in net assets at December 31, 2007 per Statement of Activities	<u>\$ 2,113</u>

The accompanying notes are an integral part of the basic financial statements.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements

(1) Summary of Significant Accounting Policies

As provided by Article VII, Section 24 of the Louisiana Constitution of 1974, the Assessor is elected by the voters of the parish and serves a term of four years. The Assessor assesses all real and movable property in the parish, subject to ad valorem taxation. The Assessor is authorized to appoint as many deputies as necessary for the efficient operation of his office and to provide assistance to the taxpayers of the parish. The deputies are authorized to perform all functions of the office, but the Assessor is officially and pecuniarily responsible for the actions of the deputies.

The accounting and reporting policies of the Assessor conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statute 24:513, as well as any applicable requirements set forth by Audits of State and Local Governments, the industry audit guide issued by the American Institute of Certified Public Accountants and the Louisiana Governmental Audit Guide.

The following is a summary of certain significant accounting policies:

A. Financial Reporting Entity

As the governing authority of the parish, for reporting purposes, the Allen Parish Police Jury is the financial reporting entity for Allen Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Because the Police Jury maintains and operates the parish courthouse in which the Assessor's office is located, the Assessor was determined to be a component unit of the Allen Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Assessor and do not present information on the Police Jury, the general government services provided by the Police Jury, or the other governmental units that comprise the financial reporting entity.

B. Basis of Presentation

Government-Wide Financial Statements (GWFS)

The statement of net assets and statement of activities display information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Assessor's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients for goods or services offered by the programs, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

C. Fund Accounting

The accounts of the Assessor are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The Assessor maintains only one fund. It is categorized as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity or meets the following criteria:

- a. Total assets, liabilities, revenues, or expenditures/expenses of that individual governmental or enterprise fund are at least 10 percent of the corresponding total for all funds of that category or type; and
- b. Total assets, liabilities, revenues, or expenditures/expenses of the individual governmental or enterprise fund are at least 5 percent of the corresponding total for all governmental and enterprise funds combined.

The major fund of the Assessor is described below:

Governmental Fund -

General Fund

The General Fund is the general operating fund of the Assessor. It is used to account for all financial resources except those required to be accounted for in another fund.

D. Measurement Focus/Basis of Accounting

Measurement focus is a term used to describe "which" transactions are recorded within the various financial statements. Basis of accounting refers to "when" transactions are recorded regardless of the measurement focus applied.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

Measurement Focus

On the government-wide statement of net assets and the statement of activities, governmental activities are presented using the economic resources measurement focus as defined in item b. below.

In the fund financial statements, the "current financial resources" measurement focus or the "economic resources" measurement focus is used as appropriate:

- a. The governmental fund utilizes a "current financial resources" measurement focus. Only current financial assets and liabilities are generally included on its balance sheet. Their operating statement presents sources and uses of available spendable financial resources during a given period. This fund uses fund balance as its measure of available spendable financial resources at the end of the period.
- b. The government-wide financial statement utilizes an "economic resources" measurement focus. The accounting objectives of this measurement focus are the determination of operating income, changes in net assets (or cost recovery) and financial position. All assets and liabilities (whether current or noncurrent) associated with its activities are reported. Government-wide fund equity is classified as net assets.

Basis of Accounting

In the government-wide statement of net assets and statement of activities, the governmental activities are presented using the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recorded when the liability is incurred or economic asset used. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures (including capital outlay) generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.



ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

E. Assets, Liabilities and Equity

Cash and interest-bearing deposits

For purposes of the statement of net assets, cash and interest-bearing deposits include all demand accounts, savings accounts, and certificates of deposits of the Assessor.

Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Assessor maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the statement of activities, with accumulated depreciation reflected in the statement of net assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of estimated useful lives by type of asset is as follows:

Furniture, fixtures and equipment	5-10 years
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Compensated Absences

Employees of the Assessor's office earn 12 days of emergency leave each year. Emergency leave is used for personal illness, family illness, and other personal problems. In addition to emergency leave, employees of the Assessor's office earn vacation leave at varying rates, depending on their length of service. Vacation leave is not cumulative from year to year.

At termination or retirement, employees are paid for vacation leave accumulated during the current year; however, emergency leave is not paid. At December 31, 2007, the Assessor has no material accumulated leave benefits.

Equity Classifications

In the government-wide statements, equity is classified as net assets and displayed in three components:

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

- a. Invested in capital assets, net of related debt – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net assets – Consists of net assets with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net assets – All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

In the fund financial statements, governmental fund equity is classified as fund balance. Fund balance is further classified as reserved and unreserved, with unreserved further split between designated and undesignated.

F. Revenues, Expenditures, and Expenses

Revenues

Ad valorem taxes and the related state revenue sharing are recorded in the year the taxes are due and payable. Ad valorem taxes are assessed on a calendar year basis, attach as an enforceable lien, and become due and payable on the date the tax rolls are filed with the recorder of mortgages. Louisiana Revised Statute 47:1993 requires that the tax roll be filed on or before November 15 of each year. Ad valorem taxes become delinquent if not paid by December 31. The taxes are normally collected in December of the current year and January and February of the ensuing year.

Fees for preparing tax rolls are recorded in the year prepared. Interest income on time deposits is recorded when the time deposits have matured. Interest income on demand deposits is recorded monthly when the interest is earned and credited to the account.

Based on the above criteria, ad valorem taxes, state revenue sharing, and fees for preparing tax rolls have been treated as susceptible to accrual.

Expenditures/Expenses

In the government-wide financial statements, expenses are classified by character and function. In the fund financial statements, expenditures are classified by character.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

G. Budget Practices

The proposed budget for the General Fund, prepared on the modified accrual basis of accounting, is made available for public inspection at least fifteen days prior to the beginning of each fiscal year. The budget is then legally adopted by the Assessor and amended during the year, as necessary. The budget is established and controlled by the Assessor at the object level of expenditure. Appropriations lapse at year-end and must be re-appropriated for the following year to be expended. The Assessor must approve all changes in the budget. Formal budgetary integration is employed as a management control device during the year. Budgeted amounts included in the accompanying financial statement include the original and final adopted budget amounts.

H. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

(2) Ad Valorem Taxes

Pursuant to Act 174 of 1990, Louisiana Revised State Statute 47:1925.2 created a special assessment district to provide ad valorem taxes revenue to fund the Assessor's office.

Ad valorem taxes attach as an enforceable lien on property as of January 1 of each year. During the current fiscal year, taxes were levied in June and billed to the taxpayers by the Allen Parish Sheriff in November. Billed taxes are due by December 31, becoming delinquent on January 1 of the following year.

The taxes are based on assessed values determined by the Allen Parish Assessor and are collected by the Sheriff. The taxes are remitted to the Assessor net of deductions for pension fund contributions.

Ad valorem taxes are budgeted and recorded in the year levied and billed. For the year ended December 31, 2007, special assessment district taxes were levied at the rate of 5.23 mills, on property with assessed valuations totaling \$96,729,270.

After applying the homestead exemption, total special assessment district taxes levied during 2007 were \$379,122.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

(3) Principal Taxpayers

The following are the principal taxpayers for the parish and their 2007 assessed valuation (amounts expressed in thousands):

	2007 Assessed Valuation (in thousands)	Percent of total Assessed Valuation
Texas Eastern Transmission Corporation	\$ 4,425	4.57%
CLECO Corporation	3,852	3.98%
Transcontinental Gas Pipeline	3,349	3.46%
Boise Building Solutions	3,404	3.52%
Beauregard Electric Cooperative, Inc.	1,827	1.89%
Patterson UTI Drilling Co.	1,456	1.51%
Union Pacific Railroad	1,651	1.71%
CenturyTel of Southwest Louisiana, Inc.	1,248	1.29%
Wal-mart Property Tax District	1,587	1.64%
CenturyTel of Southwest Louisiana, Inc.	<u>962</u>	<u>0.99%</u>
	<u>\$ 23,761</u>	<u>24.56%</u>

(4) Cash and Interest-Bearing Deposits

Under state law, the Assessor may deposit funds within a fiscal agent bank organized under the laws of the State of Louisiana, the laws of any other state in the Union, or the laws of the United States. The Assessor may invest in certificates and time deposits of state banks organized under Louisiana law and national banks having principal offices in Louisiana. At December 31, 2007, the Assessor had demand deposits (book balances) totaling \$9,556.

These deposits are stated at cost, which approximates market. Custodial credit risk for deposits is the risk that in the event of the failure of a depository financial institution, the Assessor's deposits may not be recovered or will not be able to recover the collateral securities that are in the possession of an outside party. Under state law, these deposits, (or the resulting bank balances) must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent bank. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties. Deposit balances (bank balances) at December 31, 2007 in the amount of \$46,530 were fully secured by federal deposit insurance and, therefore, not exposed to custodial credit risk.

The Assessor follows state law regarding its deposits and investments; however it has not adopted a formal deposit and investment policy.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

(5) Due from Other Governmental Units

Due from other governmental units of \$427,296 consisted of the following at December 31, 2007:

Ad valorem taxes	\$ 379,122
Preparation of tax rolls	12,080
Gaming revenue	<u>12,004</u>
Total	<u>\$ 403,206</u>

(6) Capital Assets

Capital asset balances and activity for the year ended December 31, 2007 is as follows:

	<u>Balance</u> <u>01/01/07</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12/31/2007</u>
Capital assets:				
Equipment, furniture and fixtures	\$ 272,064	\$ -	\$ 11,148	\$ 260,916
Less accumulated depreciation:				
Equipment, furniture and fixtures	<u>227,660</u>	<u>29,692</u>	<u>11,148</u>	<u>246,204</u>
Net capital assets	<u>\$ 44,404</u>	<u>\$(29,692)</u>	<u>\$ -</u>	<u>\$ 14,712</u>

Depreciation expense of \$29,692 was charged to the general government function.

(7) Long-term Debt

The following is a summary of long-term debt transactions of the Assessor for the year ended December 31, 2007:

Capital lease payable, January 1, 2007	\$ 9,849
Retired	<u>(9,849)</u>
Capital lease payable, December 31, 2007	<u>\$ -</u>

(8) Short-term Debt

The Allen Parish Assessor borrowed \$184,000 during 2007 from First Federal Bank of Louisiana as a short-term loan. The loan has an interest rate of 6.00% per annum on the outstanding principal balance. The debt was repaid in 2008.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

(9) Pension Plan

Substantially all employees of the Allen Parish Assessor's office are members of the Louisiana Assessor's Retirement System (System), a multiple-employer (cost-sharing), defined benefit plan administered by a separate board of trustees.

All full-time employees who are under the age of 60 at the time of original employment and are not drawing retirement benefits from any other public retirement system in Louisiana are required to participate in the system. Employees who retire at or after age 55 with at least 12 years of credited service or at or after age 50 with at least 30 years of credited service are entitled to a retirement benefit, payable monthly for life, equal to 3 percent of their final-average salary for each year of credited service, not to exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana Assessors' Retirement System, Post Office Box 14699, Baton Rouge, Louisiana 70898-4699.

Plan members are required by state statute to contribute 8.0 percent of their annual covered salary and the Allen Parish Assessor is required to contribute at an actuarially determined rate. The current rate is 13.5 percent of annual covered payroll. Effective July 2, 1999, Act 818 of the 1999 regular session of the Legislature authorized the Assessor, at his discretion, to pay all or a portion of the employees' contribution, provided that the Assessor notify the Assessor's Retirement Fund fifteen days prior to the beginning of a calendar year. For the year 2007, the Assessor elected to pay 5% of the employees' contributions, with the employees paying 3%. Contributions to the System also include one-fourth of one percent (one percent for Orleans Parish) of the taxes shown to be collectible by the tax rolls on each parish, plus revenue sharing funds appropriated by the legislature. The contribution requirements of plan members and the Allen Parish Assessor are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The Allen Parish Assessor's contributions to the System for the years ending December 31, 2007, 2006, and 2005, were \$52,310, \$62,170, and \$55,053 respectively, equal to the required contributions for each year.

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Notes to Basic Financial Statements (Continued)

(10) Deferred Compensation Plan

The Allen Parish Assessor offers its employees participation in the State of Louisiana Public Employees Deferred Compensation Plan adopted by the Louisiana Deferred Compensation Commission and established in accordance with Internal Revenue Code Section 457. The plan, available to all Assessors' employees, permits the employees to defer a portion of their salary until future years. Prior to 2007, the Assessor matched the employee contribution, up to the lesser of \$8,000 or 25% of covered salary. However, during the year ended December 31, 2007, employee participation in the plan dropped significantly because the Assessor stopped matching. The deferred compensation is not available to employees until termination, retirement, death, or proof of hardship.

The assets of the plan are held in trust as described in IRC Section 457(g) for the exclusive benefit of the participants and their beneficiaries. The custodian thereof for the exclusive benefit of the participants holds the custodial account for the beneficiaries of this plan, and the assets may not be diverted to any other use. The administrators are agents of the employer for purposes of providing direction to the custodian of the custodial account from time to time for the investment of the funds held in the account, transfer of assets to or from the account, and all other matters. Complete disclosures relating to the Plan are included in the separately issued audit report for the Plan, available from the Louisiana Legislative Auditor, Post Office Box 94397, Baton Rouge, Louisiana 70804-9397.

It is the opinion of management, after consulting with legal counsel, that the Allen Parish assessor has no liability for losses under the plan.

(11) Expenditures of the Assessor Paid by the Parish Police Jury

The Allen Parish Police Jury provided the office space and utilities for the Assessor's office for the year ended December 31, 2007. These expenditures are not reflected in the accompanying financial statements.

(12) Litigation

There is no litigation pending against the Assessor's office at December 31, 2007.

(13) Risk Management

The Assessor is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Assessor has obtained coverage from various commercial insurance companies to reduce his exposure to these risks. There have been no significant reductions in the insurance coverage during the year.

**REQUIRED  
SUPPLEMENTARY INFORMATION**



ALLEN PARISH ASSESSOR  
Oberlin, Louisiana  
General Fund

Budgetary Comparison Schedule  
For the Year Ended December 31, 2007  
With Comparative Actual Amounts for the Year Ended December 31, 2006

	2007			
	Budget		Variance -	2006
	Original	Final	Favorable (Unfavorable)	Actual
Revenues:				
Intergovernmental revenues -				
Ad valorem taxes	\$350,000	\$369,000	\$ 596	\$315,428
State revenue sharing	33,000	37,000	513	35,600
Gaming revenue	44,000	48,000	16	40,496
Parish appropriation	30,000	30,000	-	-
Other revenue - preparing tax rolls, copies, etc.	40,833	23,533	(9,717)	18,595
Interest	2,400	500	(273)	2,805
Total revenues	<u>500,233</u>	<u>508,033</u>	<u>(8,865)</u>	<u>412,924</u>
Expenditures:				
General government:				
Personnel services and related benefits -				
Salaries:				
Assessor	87,740	112,660	-	87,740
Deputy Assessors	184,986	158,429	3,225	160,205
Allowance	8,774	11,266	-	8,774
Other	2,200	2,000	252	4,449
Group insurance	63,600	63,600	(1,252)	63,710
Pension	49,770	51,770	(540)	62,170
Medicare tax	3,600	8,450	417	9,846
Deferred compensation	-	-	(3,825)	45,885
Total personnel services and related benefits	<u>400,670</u>	<u>408,175</u>	<u>(1,723)</u>	<u>442,779</u>
Operating services -				
Accounting and auditing	12,000	11,000	-	10,700
Attorney Fees	-	400	(413)	6,490
Insurance	3,000	2,700	753	2,134
Leases and rentals	16,000	15,377	414	-
Telephone	12,000	7,250	(430)	9,089
Training	1,500	2,200	217	1,492
Total operating services	<u>44,500</u>	<u>38,927</u>	<u>541</u>	<u>29,905</u>
Materials and supplies -				
Office supplies and expense	12,100	6,151	1,423	13,060
Automobile supplies and maintenance	4,000	1,800	107	3,637
Bank fees	210	122	86	192
Computer operation and maintenance	8,500	5,077	223	9,463
Dues and subscriptions	2,200	2,000	(1,189)	2,603
Total materials and supplies	<u>27,010</u>	<u>15,150</u>	<u>650</u>	<u>28,955</u>
Travel and other charges -				
Travel	<u>4,500</u>	<u>1,000</u>	<u>(276)</u>	<u>3,626</u>
Capital outlay -				
Capital outlay - office equipment	-	-	-	3,411
Debt service -				
Principal retirement	-	9,849	-	22,189
Interest and fiscal charges	3,600	5,100	1,722	7,235
Total debt service	<u>3,600</u>	<u>14,949</u>	<u>1,722</u>	<u>29,424</u>
Total expenditures	<u>480,280</u>	<u>478,201</u>	<u>914</u>	<u>538,100</u>
Excess (deficiency) of revenues over expenditures	19,953	29,832	(7,951)	(125,176)
Fund balance, beginning of year	<u>210,162</u>	<u>210,162</u>	-	<u>335,338</u>
Fund balance, end of year	<u>\$230,115</u>	<u>\$239,994</u>	<u>\$ (7,951)</u>	<u>\$210,162</u>

## **SUPPLEMENTARY INFORMATION**

# KOLDER, CHAMPAGNE, SLAVEN & COMPANY, LLC

CERTIFIED PUBLIC ACCOUNTANTS

C. Burton Kolder, CPA\*  
Russell F. Champagne, CPA\*  
Victor R. Slaven, CPA\*  
P. Troy Courville, CPA\*  
Gerald A. Thibodeaux, Jr., CPA\*  
Robert S. Carter, CPA\*  
Arthur R. Nixon, CPA\*

Tynes E. Nixon, Jr., CPA  
Allen J. LaBry, CPA  
Albert R. Leger, CPA, PFS, CSA\*  
Penny Angelle Scruggins, CPA  
Christine L. Cousin, CPA  
Mary T. Thibodeaux, CPA  
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Robert J. Metz, CPA  
Kelly M. Doucet, CPA  
Cheryl L. Bartley, CPA, CVA  
Mandy B. Self, CPA  
Paul L. Delcambre, Jr., CPA  
Wanda F. Arcement, CPA  
Kristin B. Dautat, CPA

Retired:  
Conrad O. Chapman, CPA\* 2008  
Harry J. Clostio, CPA 2007

\* A Professional Accounting Corporation

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## Independent Accountant's Report on Applying Agreed-Upon Procedures

Honorable Richard W. Karam, CLA  
Allen Parish Assessor  
Oberlin, Louisiana

We have performed the procedures included in the *Louisiana Government Audit Guide* and enumerated below, which were agreed to by the Allen Parish Assessor and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about Allen Parish Assessor's compliance with certain laws and regulations during the year ended December 31, 2007 included in the accompanying *Louisiana Attestation Questionnaire*. This agreed-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### *Public Bid Law*

1. Select all expenditures made during the year for material and supplies exceeding \$20,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

There were no expenditures for material and supplies or public works exceeding the \$20,000 and \$100,000 thresholds during the fiscal year ended December 31, 2007.

### *Code of Ethics for Public Officials and Public Employees*

2. Obtain from management a list of the immediate family members of management as defined by LSA-RS 42:1101-1124 (the code of ethics), and a list of outside business interests of all management and employees, as well as their immediate families.

Management provided us with the required list including the noted information.

3. Obtain from management a listing of all employees paid during the period under examination.

Management provided us with the required list.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees included on the list of employees provided by management [agreed-upon procedure (3)] appeared on the list provided by management in agreed-upon procedure (2).

#### *Budgeting*

5. Obtained a copy of the legally adopted budget and all amendments.

Management provided us with the required list.

6. Trace the budget adoption and amendments to the minute book.

The budget was adopted in accordance with the Local Government Budget Act.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

The budget was in compliance with the Local Government Budget Act.

#### *Accounting and Reporting*

8. Randomly select 6 disbursements made during the period under examination and:

- (a) trace payments to supporting documentation as to proper amount and payee;

We examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- (b) determine if payments were properly coded to the correct fund and general ledger account; and

All of the payments were properly coded to the correct general ledger account.

- (c) determine whether payments received approval from proper authorities.

No exceptions were noted.

#### *Meetings*

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

This procedure was not applicable.

*Debt*

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of bank loans, bonds, or like indebtedness.

The Assessor borrowed \$184,000 on anticipation of collection of property taxes with state bond commission approval. The debt was paid back in 2008.

*Advances and Bonuses*

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees which may constitute bonuses, advances, or gifts.

We inspected payroll records for the year and noted no instances which would indicate payments to employees which would constitute bonuses, advances, or gifts.

We were not engaged to, and did not, perform an examination, the objective of which would be the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the Allen Parish Assessor and the Legislative Auditor, State of Louisiana, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

***Kolder, Champagne, Slaven & Company, LLC***  
Certified Public Accountants

Oberlin, Louisiana  
May 5, 2008

ALLEN PARISH ASSESSOR  
Oberlin, Louisiana

Summary Schedule of Current and Prior Year Findings  
and Corrective Action Plan  
Year Ended December 31, 2007

Ref. No.	Fiscal Year Finding Initially Occurred	Description	Corrective Action Taken	Corrective Action Plan	Name of Contact Person	Anticipated Date of Completion
CURRENT YEAR (12/31/07) --						
There were no findings for the fiscal year ended December 31, 2007.						
PRIOR YEAR (12/31/06) --						
06-1	2006	The Assessor's fund balance has declined \$125,176 for the current year and \$60,997 for 2005. The Assessor's operating deficits for the past two fiscal years are the result of reduced revenues and increasing expenditures related primarily to salaries and benefits. The Assessor should increase revenues and/or reduce expenditures to maintain adequate fund balance.	Yes	The Assessor's office has attempted to raise revenues in four separate instances: (1) attempted to pass through the state legislature a conveyance fee attached to conveyance instruments recorded in the clerk of court's office that failed (2) attempted to renounce the millage of the Assessor's office and return to Assessor's compensation based on the funding level in place in 1989 that was rejected by parish government (3) amended H.B. 1230 in the 2006 state legislative regular session to increase a proposed two cent parish hotel/motel tax to three cents. This was enrolled and passed as Act No. 359 of the 2006 regular session. The additional one cent was to be dedicated to the Assessor's office. Parish government, to date, has not called for an election to secure voter approval of this increase. (4) attempted to obtain lawful reimbursement from parish government for reimbursement of operating expenditures of the Assessor's office that the parish government has refused. Since the Assessor's office was unable to raise revenues, effective in 2007, the following measures have been taken to reduce expenditures: (1) eliminated the deferred compensation benefit to employees, (2) retired a capital lease for software improvements, and (3) reduced retirement expenses. The combined impact of these cost cutting measures will result in savings of approximately \$100,000. The Assessor's office is reviewing other expenditures reductions to further reduce the operating deficit.	Richard W. Karam, Assessor	12/31/2007

**LOUISIANA ATTESTATION QUESTIONNAIRE  
(For Attestation Engagements of Government)**

11/19/07 (Date Transmitted)

KOLDEIR CHAMPAGNE SLAVEN & CO LLC  
183 SOUTH BEADLE ROAD  
LAFAYETTE LA 70508  
\_\_\_\_\_  
(Auditors)

In connection with your review of our financial statements as of [date] and for the year then ended, and as required by Louisiana Revised Statute 24:513 and the *Louisiana Governmental Audit Guide*, we make the following representations to you. We accept full responsibility for our compliance with the following laws and regulations and the internal controls over compliance with such laws and regulations. We have evaluated our compliance with the following laws and regulations prior to making these representations.

These representations are based on the information available to us as of (date of 12/31/07 completion/representations).

**Public Bid Law**

It is true that we have complied with the public bid law, LSA-RS Title 38:2212, and, where applicable, the regulations of the Division of Administration, State Purchasing Office..

Yes [☒] No [ ☐ ]

**Code of Ethics for Public Officials and Public Employees**

It is true that no employees or officials have accepted anything of value, whether in the form of a service, loan, or promise, from anyone that would constitute a violation of LSA-RS 42:1101-1124.

Yes [☒] No [ ☐ ]

It is true that no member of the immediate family of any member of the governing authority, or the chief executive of the governmental entity, has been employed by the governmental entity after April 1, 1980, under circumstances that would constitute a violation of LSA-RS 42:1119.

Yes [☒] No [ ☐ ]

**Budgeting**

We have complied with the state budgeting requirements of the Local Government Budget Act (LSA-RS 39:1301-14) or the budget requirements of LSA-RS 39:34.

Yes [☒] No [ ☐ ]

**Accounting and Reporting**

All non-exempt governmental records are available as a public record and have been retained for at least three years, as required by LSA-RS 44:1, 44:7, 44:31, and 44:36.

Yes [☒] No [ ☐ ]

We have filed our annual financial statements in accordance with LSA-RS 24:514, 33:463, and/or 39:92, as applicable.

Yes [☒] No [☐]

**We have had our financial statements audited or compiled in accordance with LSA-RS 24:513.**

Yes [☒] No [☐]

## Meetings

We have complied with the provisions of the Open Meetings Law, provided in RS 42:1 through 42:12.

Yes [ ☒ ] No [ ☐ ]

## Debt

It is true we have not incurred any indebtedness, other than credit for 90 days or less to make purchases in the ordinary course of administration, nor have we entered into any lease-purchase agreements, without the approval of the State Bond Commission, as provided by Article VII, Section 8 of the 1974 Louisiana Constitution, Article VI, Section 33 of the 1974 Louisiana Constitution, and LSA-RS 39:1410.60-1410.65.

Yes [✓] No [ ]

## Advances and Bonuses

It is true we have not advanced wages or salaries to employees or paid bonuses in violation of Article VII, Section 14 of the 1974 Louisiana Constitution, LSA-RS 14:138, and AG opinion 79-729.

Yes [☒] No [☐]

We have disclosed to you all known noncompliance of the foregoing laws and regulations, as well as any contradictions to the foregoing representations. We have made available to you documentation relating to the foregoing laws and regulations.

We have provided you with any communications from regulatory agencies or other sources concerning any possible noncompliance with the foregoing laws and regulations, including any communications received between the end of the period under examination and the issuance of this report. We acknowledge our responsibility to disclose to you any known noncompliance which may occur subsequent to the issuance of your report.

Richard Kara \_\_\_\_\_ Assessor  
Secretary 11-17-07 \_\_\_\_\_ Date  
\_\_\_\_\_  
Treasurer \_\_\_\_\_ Date  
\_\_\_\_\_  
President \_\_\_\_\_ Date